

Organizing for Wastewater Services

**Carl E. Brown, Chief
Government Assistance Unit
Environmental Assistance Office**

**Missouri Department of Natural Resources
Outreach and Assistance Center
1-800-361-4827**



**Missouri
Department of
Natural Resources**

Agenda

What is EAO?

Do you need better wastewater management?

How can you organize?

How can you finance?

Where can you get help?

Questions



Missouri
Department of
Natural Resources

Environmental Assistance Office

**Provides information, education
and assistance on environmental
issues.**

**Government Assistance Unit helps
groups with water, wastewater,
user charge and related issues.**

**Nonregulatory and no-charge
services.**



**Missouri
Department of
Natural Resources**

Wastewater management: When do you need it?

Poor soils

Karst topography

Small lot sizes in communities

Concentrated developments

To enhance property values

To enable high-value development



Missouri
Department of
Natural Resources

How can you organize?

Common sewer district

Simple sewer district

Water district

For-profit sewer company

Nonprofit sewer company

**Neighborhood improvement
district**



Missouri
Department of
Natural Resources

Common sewer district (204.250, RSMo)

**Good for regional system
development and management
Excellent proactive approach
Eligible for governmental funding
Needs broad support
District formation does not
authorize debt**



Missouri
Department of
Natural Resources

Simple sewer district (249.430, RSMo)

**Good for local area development
and management**

Can be a proactive approach

Eligible for governmental funding

**Needs county commission or local
area support**

**District formation does not
authorize debt**



**Missouri
Department of
Natural Resources**

Water district (247.035, RSMo)

**For existing districts, is simplest
way to develop sewer system**

Usually lowest costs

Eligible for governmental funding

Needs water district support

**District incorporation does not
authorize debt**



Missouri
Department of
Natural Resources

For-profit sewer company

Formed like other corporations

**Subject to Public Service
Commission**

**Generally, more problems to run
consistently and well**

**Generally, not eligible for
governmental funding**

**Can be organized to provide
water service**



Missouri
Department of
Natural Resources

Nonprofit sewer company (393.825, RSMo)

Formed much like other nonprofit corporations

Can be formed quickly, easily in a small area

Is not subject to Public Service Commission

Generally, will not be eligible for governmental funding

Cannot provide water service

Neighborhood improvement district (67.453, RSMo)

A funding mechanism only, within the city or county

Authorizes general obligation bonds

Can be formed by vote or petition

Can be used with any management structure

Can fund all essential infrastructure



Missouri
Department of
Natural Resources

How can you finance?

Grants and/or loans from:

- **DED, Community Development Block Grants**
- **USDA, Rural Development Administration**
- **Department of Natural Resources, Clean Water State Revolving Fund loan program and state construction grants**



Missouri
Department of
Natural Resources

How can you finance (continued)?

General obligation bonds

Revenue bonds

Temporary loans and notes

Donations and self-help

**Second mortgages and private
loans**



**Missouri
Department of
Natural Resources**

Where can you get help?

Department of Natural Resources:

- EAO - 1-800-361-4827
- WPCP - (573) 751-1192

DED (573) 751-4146

RD (573) 876-0995

Bond market through banks,
investment bankers and bond
counsels



Missouri
Department of
Natural Resources

The stumbling block

“People prefer to stay with problems they understand rather than look for solutions they are uncomfortable with.”

Bits & Pieces, July 15, 1999



Missouri
Department of
Natural Resources

The bottom line

**If the project makes good sense,
and your community wants the
service, the organization,
financing and operations can be
done.**



Missouri
Department of
Natural Resources

Questions?



**Missouri
Department of
Natural Resources**